

Miami Dade County

Stephen P. Clark Government Center
111 N.W. 1st Street
Miami, Fl. 33128



LEGISLATIVE ANALYSIS

Tuesday, June 15, 2004
9:30 am
Commission Chambers

Board of County Commissioners

Government Operations and **Environment** **Committee**

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF AMENDMENT NO. 4 TO CONTRACT NUMBER GC508 FOR THE STORAGE TANK SYSTEM COMPLIANCE VERIFICATION PROGRAM WITH THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (FDEP) TO SUPPORT STORAGE TANK COMPLIANCE ACTIVITIES IN MIAMI-DADE COUNTY; AND AUTHORIZES THE COUNTY MANAGER TO EXECUTE AMENDMENTS TO THIS AGREEMENT AND TO EXERCISE THE CANCELLATION PROVISIONS CONTAINED THEREIN

I. SUMMARY

This resolution authorizes the County Manager to execute Amendment Number 4 to the Florida Department of Environmental Protection Contract for the Storage Tank System Compliance Verification Program.

II. PRESENT SITUATION

The Storage Tank Compliance Verification Program is a regulatory management program for hazardous material storage tanks that was put into place because of threats these tanks pose to our underground drinking water supply. The current contract was executed in 1997 for a period of ten years and is updated by a yearly task assignment.

III. POLICY CHANGE AND IMPLICATION

This contract amendment ensures that any excess contract funding is spent on program activities or returned to the FDEP and creates financial consequences for programs that do not meet the minimum requirements set forth in the contract.

IV. ECONOMIC IMPACT

This resolution creates financial consequences, which would have a negative impact on the County if the minimum requirements of this contract were not followed. Specifically, if the County does not provide a statement of Revenue, Expenses and Fund Balance within 45 days of payment of the final invoice, the County will be assessed a 5% penalty based on the current Task Assignment amount. Also, if the County receives a score below 75% on its Program Review, the County will be assessed an 8.3% penalty since a score below 75% represents an unacceptable score. Lastly, if the County's fund balance exceeds 10% of the current year's task assignment, the County shall refund to the DEP any and all amounts in excess of 10%.

V. COMMENTS AND QUESTIONS

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None

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LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

*RESOLUTION APPROVING THE WATER AND SEWER DEPARTMENT /
PARTNERSHIP OPTIMIZING WASD'S EFFICIENCY AND REENGINEERING
GAINSHARING PROGRAM AS OUTLINED IN THE ACCOMPANYING
MEMORANDUM OF UNDERSTANDING*

I. SUMMARY

This resolution authorizes the establishment of a Memorandum of Understanding (MOU) for a department-wide gainsharing program for the Water and Sewer Department.

II. PRESENT SITUATION

At the present time, Miami-Dade County has gainsharing programs in several of its departments including the Food Services Bureau of the Corrections and Rehabilitation Department, the Marinas of the Park and Recreation Department and most recently the Credit and Collection Section of the Finance Department.

III. POLICY CHANGE AND IMPLICATION

The proposed MOU is for a three-year period and can be extended for up to two additional one-year periods. Under this agreement if the department reduces its operating costs below the stretch goals for producing quality water and appropriately processed wastewater, a savings pool is created. The Manager would then be authorized to distribute up to 25% of the savings annually in the form of gainsharing payments to all employees below the level of Assistant Director. The rest of the savings will go towards rate stabilization. Performance measures for this agreement will be distributed into two tiers. Tier one measures are used to determine the extent to which WASD has complied with major regulatory and safety standards while maintaining their infrastructure and financial health. Tier two measures quantify performance within WASD's five Assistant Director reporting chains.

IV. ECONOMIC IMPACT

This item should have a positive economic on the County as it offers an incentive for employees to find efficiencies within the Department.

V. COMMENTS AND QUESTIONS

None

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING REQUEST FOR WAIVER OF COMPETITIVE BIDS AND APPROVAL OF CHANGE ORDER NO. TWO TO THE CONTRACT WITH MARILU CONSTRUCTION, INC., FOR QUALITY NEIGHBORHOODS IMPROVEMENT PROGRAM 2 (QNIP-2) SIDEWALK CONSTRUCTION CONTRACT NO. 5

Public Works Department

I. SUMMARY

This resolution authorizes the waiver of the competitive bidding process and seeks the approval of retroactive Change Order No. Two between **Marilu Construction, Inc.** and Miami-Dade County.

Originally, there were six contracts identical to this change order that were awarded to four different contractors. According to Public Works Department (PWD), **Marilu Construction, Inc.** was one of firms to accept a capacity increase and maintain the original contract prices.

II. PRESENT SITUATION

Marilu Construction, Inc. was awarded Project No. 629544 for the construction or repair of sidewalks throughout Miami-Dade County. The firm was awarded this project with an option to extend the contract for an additional calendar year on February 26, 2003.

III. POLICY CHANGE AND IMPLICATIONS

The reason for Change Order No. Two is to increase the contract amount by \$350,000 and extend the contract completion date until June 28, 2004. According to (PWD), increasing the contract amount should provide enough funding to address previous commitments involving sidewalk construction requests.

Some Commissioners have been hesitant to approve waiving the competitive bidding process with the hope that the competitive bidding process is reflective of our diverse community. Commissioners have expressed their concern that only certain segments of the community receive County contracts.

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IV. ECONOMIC IMPACT

The original contract amount was agreed upon by (PWD) to be:

Marilu's bid amount:	\$817,350
Original Contract Amount:	\$1,000,000
Change Order No. One:	\$150,000
Change Order No. Two:	\$350,000
Adjusted Contract Amount:	\$1,500,000
Total percentage increase from original contract:	(+) 50.00%

V. COMMENTS AND QUESTIONS

There may be a **public perception** problem that arises from circumventing the competitive bidding process. Nevertheless, some may argue that the County is excluding certain segments of the community from receiving County contacts.

Is the county doing enough in the formulation of new solicitation language to encourage minority firm involvement?

Some may argue that the County should set new safeguards and reinforce contractual obligations for existing/new contracts. Currently, firms with existing County contracts, blame their delays on unforeseen circumstances, omission errors and design errors. In an effort for staff to evaluate each change order effectively for projects that take significant time or require extension of time and additional monies, (PWD) should refocus on the contractors original work schedule and cost estimations. This will enable the county to hold contractors accountable for their quality of work. However, in certain circumstances, it is not possible to anticipate additional conditions when bidding construction projects.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING CHANGE ORDER NO. ONE (RETROACTIVE) TO THE CONTRACT WITH FLORIDA CONSTRUCTION AND ENGINEERING, INC., FOR ROYAL OAKS EAST SECURITY GUARDBOUSES SPECIAL TAXING DISTRICT (MIAMI-DADE COUNTY PUBLIC WORKS DEPARTMENT PROJECT NO. 647249)

Public Works Department

I. SUMMARY

This resolution seeks the approval of Change Order No. One (Retroactive) between **Florida Construction and Engineering Inc.** and Miami-Dade County.

II. PRESENT SITUATION

Florida Construction and Engineering Inc. was awarded Project No. 647249 for the construction of two guardhouses, road improvements, drainage, gate system and road closures.

III. POLICY CHANGE AND IMPLICATIONS

While **Florida Construction and Engineering, Inc.** was constructing in the area, unknown circumstances with (utility conflicts, delays in the connections to the guardhouses and delays by Florida Power & Light (FPL) to relocate a light pole caused the contractor to postpone their work.

The Change Order does the following:

Increase contract time for unpredictable circumstances to October 10, 2003
(45 days past original contract completion date of August 26, 2003)

IV. ECONOMIC IMPACT

The actual economic impact to the County has not been determined. However, each day that an existing contract has passed the contract-end-date, how much is the county liable to daily losses?

V. COMMENTS AND QUESTIONS

Some may argue that the County should set new safeguards and reinforce contractual obligations for existing/new contracts. Currently, firms with existing County contracts, blame their delays on unforeseen circumstances, omission errors and design errors. In an effort for staff to evaluate each change order effectively for projects that take significant time or require extension of time and additional monies, some may argue that the County is not doing enough on inspecting construction sites to avoid delays. However, in certain circumstances, it is not possible to anticipate additional conditions when bidding construction projects and/or when a contractor is ready to commence a project.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF AN AMENDMENT TO THE MEMORANDUM OF AGREEMENT WITH THE CITY OF HIALEAH FOR THE CONSTRUCTION OF W 60 STREET FROM W 28 AVENUE TO SR 826 IN HIALEAH, MIAMI-DADE COUNTY

Public Works Department

I. SUMMARY

This resolution recommends that the Board of County Commissioners (BCC) approve an amendment to a Memorandum of Agreement (MOA) between Miami-Dade County and the City of Hialeah for the reimbursement of \$39,616.67.

According to the County Manager, the additional amount will serve as a final payment to the City from available Roadway Impact Fee District 9 Funds.

II. PRESENT SITUATION

On February 26, 2002, the Board of County Commissioners and the City of Hialeah, through an (MOA) agreed to finance the construction of W 60 Street, from W 28 Avenue to SR-826. Under the agreed (MOA), the city would be reimbursed \$2,500,000 for the construction of a four lane roadway on W 60 from W 28 Avenue to SR-826.

However, the city has requested additional monies from the County. By amending the original (MOA), the County should provide the additional \$39,616.67 to the City of Hialeah.

The city indicated that the contractor encountered unforeseen conditions during the excavation process and required expenditures for the construction of an additional drainage work requested by the County.

III. POLICY CHANGE AND IMPLICATIONS

The City has requested that the County provide additional funds along with the \$2,500,000 provided in the original (MOA). The original (MOA) was authorized to be processed under the County's Expedite Ordinance. However, the original agreement states that "the County shall reimburse the city for the construction costs incurred by the city, in a total amount not to exceed \$2,500,000 (**the Total Reimbursement**)."

The city's obligation under the original (MOA) was to advance those funds to the contractor, provided that the costs were within the estimated construction costs. Furthermore, under the *consideration of the promises and the*

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covenants provision 5 of the (MOA), the city was to maintain separate accounting for the costs of the project so that the county may verify and audit project costs.

Also, the city agreed to submit estimated monthly construction payout schedule for the project to the County. In return the County would disburse funds to the city once the city submitted invoices with certified copies of contractor work forms attached.

Under the original (MOA), the city agreed to complete the project by August 2003 in accordance with the scheduled completion date in the County Incentive Grant Program Agreement. Moreover, the County, under the original (MOA), agreed to review all change orders or modification of plans, and any other requests for approval.

IV. ECONOMIC IMPACT

The actual economic impact to the County has been determined to be an additional \$39,616.67. However, each day that an existing contract has passed the contract-end-date, how much is the County liable for daily losses?

If this project is included in the People's Transportation Plan (PTP) or the County's Transportation Improvement Plan (TIP), then this project would be eligible for some, or all of the funding from Surtax revenues.

Were any of these projects contained in the Public Works Department's Work Program prior to the passage of the (PTP)?

V. COMMENTS AND QUESTIONS

If we have funds available in the (PTP), why is the County proposing to reimburse the City of Hialeah \$39,616.67 from available Road Impact Fee District 9 funds?

A similar contract was identified in the Original PTP ordinance for funding from (PTP) funds:

On October 21, 2003, the Board of County Commissioners (BCC) approved item 7P1A which sought to execute a (MOA) between Miami-Dade County and the City of Hialeah for reimbursement of up to \$5,500,560.56 in surtax proceeds to facilitate the construction of a three lane road on NW 62 Avenue from NW 105 Street to NW 138 Street, in Hialeah.

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Some may argue that the County should set new management monitoring procedures along each phase of most projects and reinforce contractual obligations for existing/new contracts with municipalities. The City of Hialeah blamed their delays on unforeseen circumstances. The County should have avoided these unforeseen delays if County staff completed the construction plans and design conditions. Did the County verify the additional costs proposed by the contractor, once the contractor identified a foreseen problem and submitted the costs estimates for the conditions in the excavation of the project? Were the claims by the contractor presented to the County Commissioners ahead of time? Why has it taken over a year to present this request to reimburse the city to the commissioners? Did the County inspect the project site, as agreed in the original (MOA) to inspect the project? If so, how frequent were the inspections?

In an effort for staff to evaluate each change order effectively for projects that take significant time or require extension of time and additional monies, some may argue that the County is not doing enough on inspecting construction sites to avoid delays and reimbursement of additional monies. However, in certain circumstances, it is not possible to anticipate additional conditions when bidding construction projects and/or when a contractor is ready to commence a project.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

*RESOLUTION APPROVING REQUEST FOR WAIVER OF COMPETITIVE BIDS
AND APPROVAL OF CHANGE ORDER NO. TWO TO THE CONTRACT WITH
METRO EXPRESS, INC., FOR QUALITY NEIGHBORHOODS IMPROVEMENT
PROGRAM 2 (QNIP-2) SIDEWALK CONSTRUCTION CONTRACT*

Public Works Department

I. SUMMARY

This resolution authorizes the waiver of the competitive bidding process and seeks the approval of retroactive Change Order No. Two between **Metro Express, Inc.** and Miami-Dade County.

Originally, there were six contracts identical to this change order that were awarded to four different contractors. According to Public Works Department (PWD, **Metro Express, Inc.** was one of firms to accept a capacity increase and maintain the original contract prices.

II. PRESENT SITUATION

Metro Express, Inc. was awarded Project No. 630227 for the construction or repair of sidewalks throughout Miami-Dade County. The firm was awarded this project with an option to extend the contract for an additional calendar year on September 17, 2003.

III. POLICY CHANGE AND IMPLICATIONS

The reason for Change Order No. Two is to increase the contract amount by \$350,000 and extend the contract completion date until September 22, 2004. According to (PWD), increasing the contract amount should provide enough funding to address previous commitments involving sidewalk construction requests.

Some Commissioners have been hesitant to approve waiving the competitive bidding process with the hope that the competitive bidding process is reflective of our diverse community. Commissioners have expressed their concern that only certain segments of the community receive County contracts.

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IV. ECONOMIC IMPACT

The original contract amount was agreed upon by (PWD) to be:

Metro's bid amount:	\$847,142
Original Contract Amount:	\$1,100,000
Change Order No. One:	\$165,000
Change Order No. Two:	\$350,000
Adjusted Contract Amount:	\$1,615,000
Total percentage increase from original contract:	(+) 47.00%

V. COMMENTS AND QUESTIONS

There may be a **public perception** problem that arises from circumventing the competitive bidding process. Nevertheless, some may argue that the County is excluding certain segments of the community from receiving County contacts.

Is the county doing enough in the formulation of new solicitation language to encourage minority firm involvement?

Some may argue that the County should set new safeguards and reinforce contractual obligations for existing/new contracts. Currently, firms with existing County contracts, blame their delays on unforeseen circumstances, omission errors and design errors. In an effort for staff to evaluate each change order effectively for projects that take significant time or require extension of time and additional monies, (PWD) should refocus on the contractors original work schedule and cost estimations. This will enable the county to hold contractors accountable for their quality of work. However, in certain circumstances, it is not possible to anticipate additional conditions when bidding construction projects.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING SECOND AMENDMENT TO THE THIRD AMENDED AND RESTATED OPERATIONS AND MANAGEMENT AGREEMENT BETWEEN THE COUNTY AND MONTENAY-DADE, LTD. AND AUTHORIZING COUNTY MANAGER TO EXECUTE AND DELIVER SAID AMENDMENT UPON COUNTY ATTORNEY'S APPROVAL OF ANY MODIFICATIONS

Department of Solid Waste Management

I. SUMMARY

This resolution seeks the authorization of the Board of County Commissioners to execute the Second Amendment to the Third Amended and Related Operations and Management Agreement between Miami-Dade County and Resource Recovery Facility.

The recommended amendment addresses the following:

- Contract extensions and brings to closure several longstanding operational issues;
- Disposition of Fines, a by product of Trash and Recyclable Trash processing at the Montenay-Dade, Ltd. Facility;
- Adjustments to the hard and soft put-or-pay requirements (increased and/or decreased) tonnage to be processed); and
- Reduction in FY 2008 and FY 2014 to the Consumer Price Index (CPI) Adjustment on facility tipping fees, resulting in a savings to the County through 2023 of approximately \$33 million, which equates to about \$16.7 million in present value.

II. PRESENT SITUATION

On January 7, 2003, in a memorandum from the Office of the Inspector General Miami-Dade County (OIG), the county management stated that "it was stressed that (DSWM) and Miami-Dade County as a whole needed to embrace a plan to confront the County's long-term solid waste disposal needs." The county management emphasized that the County "decrease utilization and reliance on county-owned landfills."

Currently, there are approximately 2.6 million residents that reside in Miami-Dade County. According to staff, residents in Miami-Dade County produce approximately 3.5 million tons of garbage each year. This amounts to 1.5 tons per person each year. An estimated one-third of the total goes to the County's waste-to-energy facility located at 6990 N.W. 97th Avenue. Montenay-Dade, Ltd. operates the facility under an operations and management agreement with the County.

The facility is the "hub" or "centerpiece" of the County-wide Solid Waste Management and Disposal System.

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The County believes that to reduce the risks posed by the disposal dilemma, the County is best served by extending the term with the current operator and delivering additional waste to the facility to fully utilize its existing capacity. This will extend the life existing landfills and reduce the need for new landfills in the future.

Miami-Dade County's Landfill Dilemma:

The Miami-Dade County Department of Solid Waste Management (DSWM) currently operates and maintains three active landfills: **North Dade Landfill, the South Dade landfill, and the Ash Landfill**. Each year, the (DSWM) is required, under Chapter 62-701.500 (13) (c), F.A.C., to submit an estimate of the capacity (volume) remaining in each active landfill facility to the Florida Department of Environmental Protection (FDEP). In addition, the (DSWM) uses the capacity remaining in its landfills to make projections of future operating revenues and to forecast when landfill closure and long-term care costs will be incurred.

The projected life of Miami-Dade County landfills are:

North-Dade Facility 2011

South Dade Facility 2018

Ash-Landfill Facility 2025

North-Dade Site:

- North Dade landfill has a total of 218 acres, of which 180 is used for disposal
- Classified as Class 3 (trash material) landfill (no garbage)
- There are two cells, the 84-acre east cell is the active cell and the 96-acre west site is closed
- There are new gas wells for the North-Dade site (trash generate gases during the decomposition stage)
- According to staff, the waste capacity available as of July 1, 2003 is calculated to be 2,951,893 tons. This represents a decrease of approximately 8.12 percent compared to the available waste capacity as of July 1, 2002

According to staff, closure consists of layering a synthetic cap on those parcels that are not active or receiving trash material. Lime rock, a thick plastic carpet, two feet of dirt (in accordance with state regulations), and grass cover the complete waste mass.

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Ash-Mono Fill Class 1 /Resource Recovery Facility

- 80-acre landfill site (Ash landfill occupies the 80 acres of the 160 acre Resources Recovery Facility site)
- The Ash landfill is permitted under the Power Plant Siting Act to receive ash from the Resources Recovery Facility.
- There are two cells that are active
- 26 ½ acres (old design) of the facility are closed with the synthetic layer
- Gas wells are not needed in this facility (there is no decomposition material)
- Cells 17 and 18 are nearing capacity (five years left)
- Cell 19 is under construction
- Cell 20 is in the designing and permitting phase
- According to staff, the waste capacity available as of July 1, 2003 is calculated to be 117,454 tons. This represents a decrease of approximately 52.4 percent compared to the available waste capacity as of July 1, 2002

South-Dade Site/Class 1 (non-hazardous solid wastes, including garbage)

- There are five cells/300 plus acres (200 have been designated for waste disposal)
- Cells 1 and 2 are closed since the 1990's (consist of 50 acres)
- Synthetic layers and gas wells exist in and around cells 1 and 2
- However, gas wells in this facility are outdated and need restoring
- Cell 3 is nearing capacity (five years may be left)
- Cell 4 is currently in operation-needs new gas well (ten year life expectancy)
- Cell five is under design and permitting
- According to staff, the waste capacity available as of July 1, 2003 is calculated to be 4,206,327 tons. This represents a decrease of approximately 4.91 percent compared to the available waste capacity as of July 1, 2002

According to staff, they do not have a long-term plan to address nearing available waste capacity levels for all landfill sites. Staff mentioned they have an option to flow the waste north to Broward County.

TABLE 1: CLOSURE AND LONG TERM CARE ESTIMATES FOR CURRENT YEAR
MIAMI-DADE COUNTY DEPARTMENT OF SOLID WASTE MANAGEMENT

Landfill Description	Estimated or Actual Closure Cost (\$) (A)	Estimated Annual Care Cost (\$/yr.)	Estimated Extended Long Term Care Cost (\$) (B)	Estimated Total Expense (\$) (A+B)
Main 58th Street Landfill	Closed	\$338,330 ^(a)	\$7,781,590 ^(a)	\$7,781,590
North Dade West Cell	Closed			
North Dade East Cell	\$15,900,000			
Total North Dade	\$15,900,000 ^(c)	\$472,420 ^(b)	\$14,172,600 ^(b)	\$30,072,600
South Dade Cell 1&2	Closed			
South Dade Cell 3	\$8,200,000			
South Dade Cell 4	\$10,800,000 ^(d)			
Total South Dade	\$19,000,000	\$577,185 ^(b)	\$17,315,550 ^(b)	\$36,315,550
R.R 26.5 Acre Cell	Closed			
R.R. Cells 17 & 18	\$4,630,000			
Total Resources Recovery Ashfill	\$4,630,000	\$293,250 ^(b)	\$8,797,500 ^(b)	\$13,427,500
TOTAL	\$39,530,000	\$1,681,185	\$48,067,240	\$87,597,240

Notes

- Long Term Care (LTC) period for Main Landfill at NW 58th Street is assumed to be 1996 – 2026 (23 years remaining)
- LTC cost estimates presented in the table are combined for North Dade Landfill (East and West Cells), South Dade Landfill (Cells 1 through 4), and Resources Recovery Ashfill (Cells 1 through 18)
- The closure cost estimate for North Dade Landfill has reduced from the previous year since the cost for construction of the Landfill Gas System (LFG) and the leachate pretreatment system have been completed and paid for. Additionally, the cost for future expansion and modification of the LFG system are not included in the estimates since they will be paid for while the landfill is still operating.
- Closure cost estimate for South Dade Landfill Cell 4 does not include the cost for closing the West Slope of Cell 4 since this will be closed along with closure of the future Cell 5. However, the cost includes installation of the LFG in this cell since it is assumed that the LFG collection system will be installed after the cell is completed and is therefore being reported as a closure cost to the FDEP.

The opinions of costs for Landfill Closure are based on the following assumptions:

1. Landfill closure design is based on 62-701.600 F.A.C. requirements but does not include additional costs for site redevelopment or other requirements. Existing facilities that were installed as part of construction or operations (fencing, roads, stormwater systems, leachate piping, landfill gas, monitoring wells, intermediate cover, etc.), are not included unless repairs or replacement are anticipated during site closure.
2. The Landfill Closure Cost estimates assume that geosynthetic materials will be used in the final cover system as follows:
 - a. The final cover on top of landfill cells is assumed to consist of a geotextile fabric cushion layer, a geomembrane barrier layer, an 18-inch thick protective soil layer, and a 6-inch thick vegetative layer of topsoil and sod.
 - b. The final cover on side slopes is assumed to consist of a geotextile fabric cushion layer, a geomembrane barrier layer, a geocomposite drainage layer, an 18-inch thick protective soil layer, and a 6-inch thick vegetative layer of topsoil and sod.
3. Estimated quantities of geosynthetic materials were increased by 10 percent to account for wastage. Unit rates for geosynthetics include cost of material, delivery, and installation. Third party unit pricing was increased by 15 percent to account for Construction Quality Assurance (CQA), field-testing, pipe penetrations/boots, repairs, etc.
4. Quantities calculated for earthwork materials (limerock, topsoil, etc.), were increased by 5 percent to account for material loss during construction.
5. Quantities calculated for sod were increased by 10 percent to account for wastage. Unit pricing for sod includes cost of material, delivery, labor for installation, and watering for a duration of one month after installation.

The Long Term Care (LTC) cost estimates are based on projected post-closure costs using present dollars and are based on the following assumptions:

1. Operational costs for landfill gas and leachate management systems at North Dade Landfill and South Dade Landfill are based upon current Miami-Dade County contract amounts for third-party operation of these systems.
2. Costs for facilities that were installed while the landfill sites were in operation (fencing, roads, stormwater systems, leachate piping, landfill gas, monitoring wells, intermediate cover, landscaping, etc.) are not included. Only those costs associated with repair or replacement of these facilities are included in the LTC estimates.
3. No post-closure costs associated with site redevelopment have been included in the LTC estimates.

Construction and Demolition Debris Disposal Facilities in MDC **Estimated Capacities**

Permit No.	Facility	Permit Status	Approximate Disposal Area, Ac	Average Air Space, ft	Approximate Available Waste Capacity, cu yds	Estimated Design Life
SW-1321	American Environmental	Permitted	30	8.3	400,000	6 to 8 yrs
SW-1158	Atlas Homestead	Pending Zoning Approval	37	8.3	493,333	7 to 9 yrs
SW-1214	C & C Recycling, Inc.	Permitted	2.7	10	43,578	4 to 6 months
					936,911	

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III. POLICY CHANGE AND IMPLICATIONS

Under the proposed Second Amendment to Third Amended and Restated Operations and Management Agreement between Miami-Dade County and Montenay-Dade, Ltd. there are several items of significance for the County to consider:

- Facility is expected to continue to be a county-wide primary means of environmentally safe waste disposal for Miami-Dade County for several decades, thereby helping to ensure that the County maintains its adopted Level-of-Service (LOS) standard for Concurrency over the long-term and providing a renewable disposal capacity for the County's waste stream and reducing the use of existing landfills and the need for future new landfills.

Fines

- **Fines** are a by-product of Recyclable Trash processing at the Facility. Fines, which consist of mostly soil and wood particles, constitute approximately 35 percent of Recyclable Trash processed at the Facility.
 - Under the terms of the proposed Amendment, the Company will deliver 20,000 tons of Fines to the North Miami Dade County Landfill (NMDLF) annually at no disposal cost to the Company. The Fines will be used for daily Landfill cover and will off set the need to buy Limerock.
 - An additional 15,000 tons of Fines will be delivered without cost to the South Miami Dade Landfill (SMDLF) for daily landfill cover.
 - Up to another 32,000 tons of Fines can be delivered by the Company to the SMDLF at a tipping fee of \$10 per ton. (The tipping fee will increase annually with the Consumer Price Index.)
 - For Fines deliveries above the total of 67,000 tons, the Company will pay the tipping fee at the SMDLF, which is \$50.65 presently.

Contract Extension

- The proposed Amendment includes an extension of the term of agreement until October 31, 2023, with four five-year options to renew that could extend the contract to 2043. Either party may terminate the agreement with a one-year notice before any renewal period.
- It is important to note that the current outstanding debt associated with bond financing of major capital improvements at the Facility will be fully discharged in 2013, thereby reducing the overall cost to the County of its Resources Recovery program for the full 10 years of the extended term (approximately \$11.5 million per year or \$9 per ton).
- The County will "Lock-in" future disposal costs at today's low cost. The Company will absorb the operational and maintenance risks during the extension term.
- After 2015, the County's put-or-pay obligation can be adjusted downwards if the County experiences a decrease in the amount of waste under its control.

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Increased Tonnage

- The Amendment includes a proposed increase in annual On-Site Waste deliveries to the Facility by 100,000 tons at a discounted tipping fee of \$16.28 per ton in current dollars with a CPI adjustment. This will fully utilize the existing facility capacity. When adjusted for the cost of transportation, residue removal and disposal, the additional fees, such as the Scrubber Fee, and the County's share of electricity revenues, the discounted tipping fee is \$1.00 per ton less than the cost at the least expensive third party disposal site.
- The normal base disposal rate is currently \$30.95 per ton for waste deliveries to the Facility up to 702,000 tons per year and \$25.09 from 702,000 tons up to 936,000 tons per year.
 - However, over the life of the contract, there is a positive cash flow difference to the County, and an immediate overall benefit when the value of extending the life of the SMDLF is considered.
- Although the County's delivery obligation at the facility is increasing by 100,000 tons, the County's annual hard put-or-pay obligation of 972,000 tons remains unchanged. The County will be responsible to deliver the additional only if it is available. This means that the County will not have to deliver more on-site waste if it's not available

CPI Adjustment

- In consideration for the contract extension and to offset costs incurred by the County, the Company agreed to modify the annual CPI adjustment. The adjustment to the Facility tipping fees taking place on October 1, 2007, will be reduced by one percentage point from the CPI.
- On October 1, 2013, the CPI adjustment will be reduced by four percentage points, and at each contract renewal thereafter, the CPI adjustment will be reduced by two percentage points. It is estimated that the reduction in the CPI adjustment will save the County approximately \$33 million through FY 2023. That amount has a present value of approximately \$16.7.

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IV. ECONOMIC IMPACT

According to the County's Bond Engineering Firm, Brown and Caldwell:

The change to the CPI adjustment for the Facility tipping fees represents a savings to the County of approximately \$33 million (\$16.7 million in present value). The Brown and Caldwell report estimates the overall cash flow impact of the amendment, including the CPI adjustment to the tipping fees as well as all of its other terms, to be a savings of approximately \$18.8 million (\$6.1 million in present value).

This amendment will preserve and prolong the life of Miami-Dade County's most valuable strategic asset—the remaining life (capacity) of its landfills. By preserving future capacity, the County can negotiate from a position of strength for future non-county disposal capacity.

V. COMMENTS AND QUESTIONS

According to the County's Bond Engineering Firm, Brown and Caldwell:

- When all the terms of this Amendment, including the adjustments to the CPI, the additional life of the landfills, and the other operational adjustments are considered, there is an overall positive effect on the County. The agreement assures the County of a long-term, renewable, waste disposal option at today's prices, adjusted for inflation.

Under this agreement, the County does not have to deliver more on-site waste as previously required to process. The County will only be obligated to deliver the additional waste only if available.

Regarding the offer with Fines, the County is responsible for disposal of 10% of the Recyclable Trash tonnage as Fines (estimated to be 27,000 tons annually) the company is responsible for the remainder of the Fines (estimated to be 67,000 tons. Under the proposed amendment, a beneficial solution to the fines matter regarding 25% or 67,000 tons that the company is responsible for has been achieved.

- The department may use Fines as landfill cover at both the North and South Miami-Dade Landfills, and thereby offset the amount of Limerock it must purchase.

Miami Dade Landfill	Tons of Fines	Recycling Credit Fee	Cost
North Miami Dade County Landfill (NMDLF)	20,000 tons	\$1.60 per ton (eliminates the need for limerock as cover material)	No disposal cost
South Miami Dade Landfill (SMDLF)	15,000 tons	Not necessary to purchase landfill material	No disposal cost

- In regards to the cover material stockpiled at the (SMDLF), the company agrees, in a period of three years to find a way to recycle those Fines;
- If there are Fines, deliveries above the total of 67,000 tons, the Company will pay the tipping fee at the (SMDLF), which is \$50.65 presently;
- Fines above the 35,000 tons are considered excess cover material and the company will pay \$10, per ton. The Company's payment for up to 32,000 tons of Fines in excess of the 35,000 tons delivered without charge to the NMDLF and SMDLF will be phased-in over a three-year period. There will be no charge for that tonnage in the current year, FY 2003-04.

**Summary of Proposed Ballot Language (Aug. 31, 2004 Election)
Relating to Salaries and Terms of County Commissioners
June 15, 2004 GOE Items 3(J) - 3(M)**

GOE Item No.	Commissioner Sponsor(s)	Commissioner Salary Computation ¹	Term Limits ²
3J	Barreiro and Sosa	State Statutory Formula (In 2004, the salary paid to Commissioners would be \$84,213)	no change
3K	Diaz and Sosa	State Statutory Formula (In 2004, the salary paid to Commissioners would be \$84,213)	Three consecutive four-year terms
3L	Barreiro	State Statutory Formula (In 2004, the salary paid to Commissioners would be \$84,213)	Four consecutive four-year terms
3M	Barreiro	1/2 of Mayor's salary (In 2004, the salary paid to Commissioners would be \$98,870)	no change

¹ Miami-Dade County Commissioners are currently paid a salary of \$6,000. The salary for commissioners in other counties around the state is determined according to a formula in state statute that takes into account the size of the jurisdiction and the cost of living. The salary, if approved by voters, would be paid by the County's general fund.

² There is currently no Commissioner term limits. The proposed changes, if approved by voters, would commence with the election of County Commissioners in 2006.